



Report to the Auburn City Council

Action Item

Agenda Item No.

City Manager's Approval

To: Honorable Mayor and City Council Members
From: Tim Rundel, City Manager
Dylan Feik, Administrative Services Director
Date: April 13, 2015
Subject: Auburn Police Officers Association Memorandum of Understanding

The Issue

Shall the City Council approve the negotiated Memorandum of Understanding between the Auburn Police Officers Association and the City of Auburn?

Conclusions and Recommendations

No action is needed on this item. Pursuant to the City of Auburn's Employer-Employee Relations Policy, Article III Section 17.3, the proposed memorandum of understanding and accompanying fiscal analysis (provided herein) shall be made available for public review for a minimum of two (2) weeks prior to the City Council taking action on the MOU in an open public meeting. The contract will be brought back to Council on Monday, April 27th, 2015 by RESOLUTION.

Background

As a means to secure a current Memorandum of Understanding (MOU) between the City of Auburn and the Auburn Police Officers Association (APOA), both parties entered into negotiations in September 2014 which included implementation of the City's new "Transparency in Bargaining," rules. City management efforts identified several key areas of emphasis for labor negotiations with the City's seven (7) recognized bargaining units. The areas of emphasis identified in the APOA MOU are:

- Primary focus of reducing City's leave balance problems including long-term, unfunded liabilities in vacation leave, sick leave and mandatory-time off (MTO).
- Enhance departmental tools for recruitment and retention of law enforcement officers.
- Address workplace issues such as safety, morale and staff.
- Implement cost-effective and equitable salary modifications.

The negotiation process initially concluded when the APOA and City reached tentative agreement on a successor MOU. On March 26, the APOA informed the City the

tentative agreement was ratified (approved) by the APOA membership. Both parties tentatively agree to the following general changes:

- Term of MOU - 26 month MOU effective April 27, 2015 – June 30, 2017
- Salary Increases - None
- Step Salary Schedule - Implement new Step F (5%) increase on January 1, 2016
- Lateral Hires - Language was included provides the City with tools to recruit lateral hires. The parties agreed the city may offer (upon city manager approval) to lateral hires one or more of the following enhancements: increased vacation leave accruals, training and education incentives, advanced salary placement, recognition of outside experience as a police officer or deputy sheriff, and up to a 4% retention credit.
- Sick and Vacation Leave Bank B - Existing sick and vacation leave balances will be moved into separate leave bank (Bank B) and will be frozen at the employee's current rate of pay prior to the MOU being signed. SL/VL will no longer be accrued to Bank B. Under the new MOU rules, sick leave will have zero cash value and both SL/VL caps will be enforced. Implementation of "hard accrual caps" will be enforced which means employees will no longer accrue leave once a cap is reached.
- Vacation - Employees will be allowed to cash out 100 hours of accrued and unused vacation leave before June 30, and 40 hours per year thereafter.
- Holiday in Lieu Pay - In lieu of 5% Holiday in Lieu pay, shift employees will accrue less vacation time thereby reducing overall vacation leave accruals
- Sick Leave - Existing MOU permits the cash out of sick leave under certain circumstances. The new MOU will no longer permit the cash out of sick leave and will allow it to be used for any sick leave purpose or PERS service credit
- Uniform Allowance - Increase uniform allowance from \$200 per quarter to \$250.
- Joint Labor Management Committee - A joint committee has been included in the MOU to formalize and improve the communication between labor and management
- Tuition Reimbursement - City will reimburse an employee up to \$1,200 for City-approved tuition/education reimbursement per year

- Special Assignment Pay - School Resource Officer will receive 5% special assignment pay
- PERS Swap - Association members will pay 3.0 percent of the employer's CalPERS obligation effective January 1, 2017 and will receive 2.37% salary increase to offset
- Cleanup Items - APOA and City collaboratively worked through MOU and revised and/or updated language to ensure current laws, rules, and/or policies are included

The City and APOA were able to agree upon a multi-year contract (most recent APOA contracts included one year contracts). This allowed the City to implement changes during the term of the MOU. Additional City funding (new money) for salary is limited to the new top step salary increase and the special assignment pay for the School Resource Officer. While we did not specify a COLA or an across the board increase, the substance and intent of the 5% additional step is a salary increase.

Alternatives Available to Council; Implications of Alternatives

1. Adopt a resolution to authorize the City Manager to execute the Memorandum of Understanding between the Auburn Police Officers Association and the City of Auburn for the period April 27, 2015 through June 30, 2017.
2. Do not adopt a resolution and direct the City Manager accordingly.

Fiscal Impact

The total increase to personal services budgets are as follows:

Fiscal Year 2014-15	\$ 65,054 General Fund Increase
Fiscal Year 2015-16	\$ 55,868 General Fund Increase
Fiscal Year 2016-17	\$ 35,080 General Fund Increase

However, the net impact of this contract is best-summarized by the net budget effects of the significant leave reforms and salary modifications (PERS swap, elimination of sick leave sell back, etc.) accomplished through this MOU. The net impact is as follows:

Fiscal Year 2014-15	\$ 4,108 General Fund Increase
Fiscal Year 2015-16	\$ 39,998 General Fund Increase
Fiscal Year 2016-17	\$ 2,600 General Fund Increase

The savings referenced above will be included in the upcoming budget being recommended for Fiscal Year 2015-16.

The tentative Memorandum of Understanding between the City of Auburn and Auburn Police Officers Association is available for review in the City Clerks Office and the Administrative Services Department